

AMERICAN FOREST & PAPER ASSOCIATION

June 3, 2004

Docket Unit California Energy Commission Docket No. 01-GGE-1 1516 Ninth Street, MS 4 Sacramento, California 95814-5512

Comments on California Forest Protocols

AF&PA members commend the California Climate Action Registry (CCAR) for recognizing the importance of carbon sequestration in wood and paper products. The carbon stored in wood and paper products makes an important contribution to the global carbon balance. AF&PA members play a vital role in sustaining this balance by growing trees that remove the carbon from the atmosphere and manufacturing wood and paper products that store carbon throughout their useful lives.

Registration of Carbon in Wood Products

As outlined in the CCAR proposal, upon harvest or removal of trees for the production of wood products, the carbon in the trees is transferred to the "wood products carbon pool." A forest entity's total carbon stock is then calculated in two ways: with and without the wood products pool.

AF&PA members agree with the recognition of sequestration in forests and *wood and paper* products. However, it is too soon to designate the right to register the carbon in products to one entity over another. The transfer of carbon down the forest products value chain is complex and increasing the flexibility of carbon registration would be beneficial to many entities. Further analysis is needed before registration rights are assigned, and we urge CCAR to take more time to develop a process. AF&PA members think that limiting registration is inappropriate.

AF&PA recommends that the CCAR resolve issues associated with measuring and calculating carbon in wood products before attributing the carbon to a specific entity.

Calculation Methodology

AF&PA members have concerns with the mathematical approach proposed by the protocol for calculating the carbon in wood products. Over the past year, AF&PA members have carefully evaluated two types of decay curves used to determine the amount of carbon in wood products. We concluded that empirical decay equations developed by Row and Phelps are preferable to the first-order decay equations proposed in the CCAR protocol. Using the Row & Phelps equations gives positive results for paper products with half lives between 0 to 10 years and thus more fully recognizes the benefits of forest products.

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The attached paper, *Characterizing Carbon Sequestration in Forest Products In Use*, by Reid Miner of the National Council for Air and Stream Improvement (NCASI) thoroughly explains the methodology AF&PA members endorse (see attached NCASI comments).

Additional Comments

In addition to the comments contained in this letter, AF&PA members also endorse the comments compiled by the National Council for Air and Stream Improvement (NCASI). A copy of NCASI's comments is attached.

If you have questions regarding these comments, please contact Mitch Dubensky at 202-463-2434.

Sincerely,

Mitch Dubensky Director, Forest Resources Environment Name of Addressee Date Page 3

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